

Message Text

UNCLASSIFIED

PAGE 01 CANBER 06959 01 OF 02 300911Z

ACTION EA-12

INFO OCT-01 EUR-12 ISO-00 CIAE-00 COME-00 EB-08 INR-10

LAB-04 NSAE-00 SIL-01 OC-06 CCO-00 NTIE-00 FCC-02

PA-02 ICA-20 /078 W

-----016010 300934Z /16

R 300742Z AUG 78

FM AMEMBASSY CANBERRA

TO SECSTATE WASHDC 4166

INFO AMCONSUL BRISBANE

AMCONSUL MELBOURNE

AMCONSUL PERTH

AMCONSUL SYDNEY

AMEMBASSY LONDON

AMEMBASSY TOKYO

AMEMBASSY WELLINGTON

UNCLAS SECTION 1 OF 2 CANBERRA 6959

E.O. 11652: N/A

TAGS: ELAB, BEXP, AS

SUBJ: SETTLEMENT REACHED IN TELECOMMUNICATIONS DISPUTE

REF: CANBERRA 6808

1. SUMMARY: A MONTH LONG TELECOMMUNICATIONS DISPUTE WHICH CREATED CHAOS WITH NATIONWIDE TELEPHONE AND TELEX SERVICES WAS RESOLVED ON AUGUST 29. MEETINGS OF TELECOM EMPLOYEES IN ALL OF AUSTRALIA'S CAPITAL CITIES ENDORSED A NATIONAL UNION EXECUTIVE BOARD RECOMMENDATION TO ACCEPT A "PEACE FORMULA" NEGOTIATED AT THE ARBITRATION COMMISSION IN MELBOURNE ON AUGUST 27. MOST TELEPHONE AND TELEX SERVICES ARE EXPECTED TO BE BACK TO NORMAL BY TONIGHT (AUG 30) OR AT THE LATEST TOMORROW (AUG 31). FOUR WEEK BANS - I.E. REFUSAL OF UNION MEMBERS TO CARRY OUT ESSENTIAL MAINTENANCE - WHICH BROUGHT COMMUNICATIONS THROUGHOUT AUSTRALIA CLOSE TO A COMPLETE BREAKDOWN, HAVE BEEN LIFTED.

A LAST MINUTE DIFFICULTY OVER THE ISSUE OF "BACK PAY" THREATENED

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 CANBER 06959 01 OF 02 300911Z

TO DELAY SERVICES FROM RETURNING TO NORMAL.

IT WAS, HOWEVER, NEGOTIATED OUT BY ROBERT HAWKE, AUSTRALIAN COUNCIL OF TRADE UNIONS (ACTU) PRESIDENT, WHO IS ALSO BEING GIVEN CREDIT FOR CONVINCING THE DISPUTING PARTIES - TELECOM AND THE AUSTRALIAN TELECOMMUNICATIONS EMPLOYEES ASSOCIATION (ATEA) AT A MARATHON 13 HOUR SESSION TO ACCEPT THE "PEACE FORMULA" DRAWN UP BY A FEDERAL ARBITRATION COMMISSIONER. END OF SUMMARY.

2. AN EMERGENCY MEETING OF THE NATIONAL LABOR CONSULTATIVE COUNCIL CALLED BY THE MINISTER OF EMPLOYMENT AND INDUSTRIAL RELATIONS ON AUGUST 26 PROVIDED THE TURNING POINT IN THE TELECOM DISPUTE WHICH WAS FORMALLY SETTLED ON AUGUST 29.

3. ALTHOUGH THE FUNCTION OF THAT MEETING WAS PURELY TO INFORM TOP EMPLOYER AND UNION OFFICIALS OF THE TOUGH ACTION THE GOVERNMENT WAS PREPARED TO TAKE, SUCH AS DEREGISTRATION OF THE UNION, IT CLEARED THE AIR ON FUNDAMENTAL ISSUES.

4. FIRST ACTU PRESIDENT HAWKE BECAME INVOLVED, AND SECONDLY, HE CONVINCED THE PARTIES INVOLVED, PARTICULARLY THE FEDERAL GOVERNMENT TO DO NOTHING WHICH COULD FURTHER INFLAME THE SITUATION.

5. BUT MOST IMPORTANT, MR. HAWKE EXTRACTED FOR MR. STREET AN UNDERSTANDING THAT TELECOM WAS FREE TO NEGOTIATE WITHOUT GOVERNMENT INTERFERENCE.

6. ONCE THIS WAS ACHIEVED, THE PARTIES IN PRIVATE CONFERENCE TOOK UP A PROPOSED "PEACE FORMULA" DRAWN UP SOME DAYS EARLIER BY AN ARBITRATION COMMISSIONER.

7. WITHOUT GOVERNMENT CONSTRAINTS, TELECOM EXECUTIVES AGREED TO DISCUSS ALL ISSUES THAT HAD PREVENTED ANY PROGRESS UNTIL THEN.
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 CANBER 06959 01 OF 02 300911Z

8. BUT THIS DID NOT HAPPEN BEFORE MR. HAWKE AND OTHER ACTU OFFICIALS, PARTICULARLY MR. JOHN DUCKER OF THE NEW SOUTH WALES LABOR COUNCIL, WARNED TELECOM THAT PUNITIVE ACTION AGAINST ATEA COULD ONLY WORSEN THE DISPUTE AND INVOLVE THE WHOLE OF THE TRADE UNION MOVEMENT.

9. HAWKE ALSO WARNED THAT THE INTRODUCTION OF THE NEW TECHNOLOGY COULD NOT REALLY WORK WITHOUT THE SUPPORT OF THE RANK AND FILE IF ATEA MEMBERS WERE FORCED BACK TO WORK.

10. MR. STREET'S POSITION WAS NOT EASY, PARTICULARLY AFTER PRIME MINISTER MALCOLM FRASER INVOLVED THE ARMY TO MAINTAIN HIS COMMUNICATIONS LINKS WITH CABINET MINISTERS - AND IN A MUCH PUBLICIZED STATEMENT SAID THAT THE GOVERNMENT WAS BACKING TELECOM'S ACTION TO DEREGISTER THE UNION AND MAKE ATEA SUBJECT TO CIVIL SUITS BECAUSE OF DAMAGES CAUSED BY MEMBERS. MR. FRASER ALSO HAD SAID ATEA "WOULD NOT AND COULD NOT" WIN THIS DISPUTE AND THAT RESTORATION OF PAY LOST COULD NOT BE PART OF ANY SETTLEMENT.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 CANBER 06959 02 OF 02 300926Z
ACTION EA-12

INFO OCT-01 EUR-12 ISO-00 CIAE-00 COME-00 EB-08 INR-10
LAB-04 NSAE-00 SIL-01 OC-06 CCO-00 NTIE-00 FCC-02
PA-02 ICA-20 /078 W

-----016122 300933Z /16

R 300742Z AUG 78
FM AMEMBASSY CANBERRA
TO SECSTATE WASHDC 4167
INFO AMCONSUL BRISBANE
AMCONSUL MELBOURNE
AMCONSUL PERTH
AMCONSUL SYDNEY
AMEMBASSY LONDON
AMEMBASSY TOKYO
AMEMBASSY WELLINGTON

UNCLAS SECTION 2 OF 2 CANBERRA 6959

11. ON THE OTHER HAND THE GOVERNMENT, DESPITE MR. FRASER'S TOUGH TALK, TOOK A SOFT OPTION, I.E. CONVOCAION OF THE NATIONAL LABOR CONSULTATIVE COUNCIL BECAUSE OF FEAR THAT A HEAD-ON COLLISION WITH THE TRADE UNION MOVEMENT COULD HAVE BACKFIRED POLITICALLY.

12. THE PRIVATE "PEACE FORMULA" WHICH WAS NEGOTIATED OUT DURING A NON-STOP THIRTEEN HOUR MARATHON SESSION ON AUGUST 27, PRESIDED OVER BY JUSTICE MARY GAUDRON, WAS IN EFFECT A SOLUTION BOTH SIDES COULD LIVE WITH.

13. AMONG OTHER THINGS, IT PROVIDES GUIDELINES FOR FUTURE ACTION BY UNIONS FACING THE INTRODUCTION OF NEW TECHNOLOGY AND A LOSS OF JOBS. IT WILL CAUSE EMPLOYERS TO GIVE MORE CONSIDERATION TO THE SOCIAL EFFECTS AND IMPACT ON JOB SATISFACTION THAT NEW PROCESSES MAY BRING.

14. THE AGREEMENT ALSO MEANS, HOWEVER, THAT THE UNION ATEA
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 CANBER 06959 02 OF 02 300926Z

WILL HAVE TO PROVE ITS CLAIMS BEFORE INDEPENDENT ASSESSORS.

15. THIS IS THE ISSUE WHICH THE UNION HAD BITTERLY RESISTED AS ATEA HAD CONSISTENTLY FOUGHT AGAINST TELECOM'S PLANS FOR A COMPUTERIZED TELEPHONE NETWORK.

16. ATEA CLAIMED THIS MEANT THE LOSS OF JOB OPPORTUNITIES, ETC., AND A REDUCTION IN SERVICE TO SUBSCRIBERS.

17. ATEA TOOK ITS FIRST INDUSTRIAL ACTION (REFUSAL TO CARRY OUT ESSENTIAL MAINTENANCE) TO SUPPORT THESE CLAIMS.

18. AS A RESULT OF THE AGREEMENT, THE UNION'S MAINTENANCE SYSTEM FOR THE COMPUTERIZED NETWORK WILL BE GIVEN A FULL TRIAL AGAINST THAT PROPOSED BY TELECOM. THIS MEANS A LENGTHY DELAY IN TELECOM'S PLANS FOR THE FULL INTRODUCTION OF A COMPUTERIZED TELEPHONE NETWORK.

19. THE END OF THE DISPUTE WAS ALSO THREATENED IN SEVERAL STATES BY A LAST MINUTE PROBLEM OVER THE PAYMENT OF WORKERS LAID-OFF BY TELECOM FOR REFUSAL TO WORK AWAY FROM THEIR NORMAL BASES.

20. ON AUGUST 29 TELECOM AND THE ATEA DISAGREED OVER WHICH WORKERS WERE ELIGIBLE FOR THIS PAY.

21. ACTU PRESIDENT HAWKE STEPPED IN AGAIN AND ARRANGED TALKS BETWEEN TELECOM AND ATEA TO SETTLE THIS DISAGREEMENT.

2. AS A RESULT, TELECOM WILL PAY ABOUT 70 PER CENT OF ITS LAID-OFF EMPLOYEES FULL SALARIES, AND THE ATEA AND THE ACTU WILL PAY THE REMAINDER OUT OF STRIKE DEFENSE FUNDS.

COMMENT: ACTU PRES. HAWKE WAS, OF COURSE, THE DOMINANT FIGURE
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 CANBER 06959 02 OF 02 300926Z

IN THESE NEGOTIATIONS AND HIS PRESTIGE AND INFLUENCE WITH THE RANK-AND-FILE UNION MEMBERS AND THE AUSTRALIAN PUBLIC HAS REACHED A NEW HIGH. MINISTER OF LABOR ANTHONY STREET AND ARBITRATION COMMISSIONER MARY GAUDRON MUST, HOWEVER, BE GIVEN HIGH MARKS FOR WORKING CAREFULLY AND QUIETLY BEHIND THE SCENES IN THE NEGOTIATIONS WHICH LED TO A SETTLEMENT OF A DISPUTE WHICH HAD GOTTEN COMPLETELY OUT OF HAND.

THREE POLITICAL CARTOONS IN LEADING DAILIES SEEM TO SUM UP HAWKE'S KEY ROLE IN THE NEGOTIATIONS WHICH SETTLED THE DISPUTE. ONE SHOWS A HARASSED HAWKE OPERATING AN EXTREMELY "FOULED UP" SWITCHBOARD WITH A TELECOM EMPLOYEE COMMENTING " THERE'S ONE OPERATOR WHO WILL NEVER BE REPLACED BY A COMPUTER". THE SECOND SHOWS A VICTORIOUS HAWKE, ARMS UPRAISED, WITH A SIGN ABOVE INDICATING THE ELEVENTH ROUND WHILE IN A CORNER, HIS STRETCHED OUT DEFEATED OPPONENT "COMPUTERIZED TELECOM" IS LEFT UNASSISTED BY A GLUMLY LOOKING ON SECOND, PRIME MINISTER

FRASER. AT THE SAME TIME, A BATTERED OLD WARRIOR OBVIOUSLY AN
ATEA MEMBER WHO HAD GONE THE FIRST TEN ROUNDS IS COMMENTING "JUST
AS WELL BOB HAWKE TURNED UP, EH. I TELL YA. I WAS PRETTY
BUGGERED BY THE TENTH".

THE FINAL CARTOON SHOWS JOHN Q PUBLIC AUSTRALIA EFFUSIVELY
EMBRACING AND KISSING AN EMBARRASSED HAWKE WITH THE COMMENT,
"OH BOBBY, WHY AREN'T YOU PRIME MINISTER, YET?" WITH
HAWKE'S REPLY, "I WAS WAITING TO SEE IF I GOT POPE."

ALSTON

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DISPUTE SETTLEMENT, TELECOMMUNICATION
Control Number: n/a
Copy: SINGLE
Draft Date: 30 aug 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978CANBER06959
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780353-1313
Format: TEL
From: CANBERRA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780810/aaaaahuk.tel
Line Count: 233
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b4b58457-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 78 CANBERRA 6808
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1538581
Secure: OPEN
Status: NATIVE
Subject: SETTLEMENT REACHED IN TELECOMMUNICATIONS DISPUTE
TAGS: ELAB, BEXP, AS
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/b4b58457-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014